

TWO UNIONS? ONE CHOICE. WE ARE STRONGER UNITE-D

November saw shareholders of Lloyds TSB vote in favour of the takeover of HBOS and in December shareholders of HBOS did the same.

Following legal and regulatory approval, January 09 will see the creation of the newly named Lloyds Banking Group.



Above: Unite reps from both companies lobby Parliament

WHAT WILL HAPPEN NEXT?

The acquisition of HBOS is attractive to LloydsTSB, as it will create the largest banking group in the UK with significant market share in current accounts, savings, mortgages and insurance. The new Lloyds Banking Group intends to make significant cost savings and recently announced its intention to make annual cost savings amounting to £1.5 billion within 3 years.

WHAT WILL THIS MEAN FOR ME?

Over 130,000 people are currently employed in LloydsTSB and HBOS combined. As a direct result of the cost savings proposed it is likely that the Lloyds Banking Group will employ fewer people going forward. Lloyds Banking Group has yet to provide detailed and comprehensive information on how it will achieve these cost savings.

HOW CAN I MAKE MY VOICE HEARD?

You have a choice. LloydsTSB recognises two organisations to represent staff in the group. Unite the largest trade union in the UK and the union of choice for over 200,000 workers in the financial sector, or an in house staff association called LTU that chooses not to be part of the wider trade union movement through the TUC.

Working for you in LloydsTSB

Willie Thomson, Senior Representative for Unite the Union in Ltsb



Above: Unite campaigns at EGMs

DOES IT MATTER WHO SPEAKS FOR ME?

Yes, Unite allows your voice to be heard with the Company, the wider trade union movement, external agencies and indeed the Government.

WOULD IT BE BETTER FOR UNITE AND LTU TO WORK TOGETHER?

Yes. Unite recognises a change of this magnitude will affect staff throughout the group and we wrote, in September, to the LTU to attempt to establish common ground allowing us to work together for the best interests of staff. We have yet to receive a response from them.

WHAT HAPPENS IN HBOS NOW?

Unite has a partnership agreement with Accord, the TUC affiliated union which was originally for staff of the Halifax. This commits the two unions to working together and to speaking with one voice to the employer. In return, the bank supports union membership and organisation. To quote Glenn Miller, Chair of the Unite National Company Committee in HBOS "Partnership with Accord and the bank is not the easy option for us. It can be hard work to find a common position with Accord to say nothing of negotiating with HBOS. But I am proud of the fact that, through partnership, we now have a strong network of some 80 Unite local reps. Partnership means everyone working together as a Unite team and with Accord. I want to see that united spirit and effort continuing in the Lloyds Banking Group."

WHAT ARE THE PRIORITIES FOR UNITE?

Our priority remains job security for all members and staff. We are fighting equally for our members in LTSB and HBOS as we realise the impact decisions will have on staff, customers and communities throughout the UK. We have made it clear to the Lloyds Banking Group that our neutral stance on the takeover is conditional upon factors including -

- No Compulsory Redundancies
- No Offshoring of Jobs.

Unite is recognised in both Lloyds TSB and in HBOS and will work tirelessly in Lloyds Banking Group to achieve these priorities.

WHAT HAS UNITE DONE ALREADY?

Launch of the Social Contract

Unite's social contract has been launched in the Houses of Parliament, Welsh Assembly and Scottish Parliament. This consists of a five-point plan for shaping the Finance Industry.

- Recognition of Unite as a key stakeholder in the future of the financial services industry.
- To ensure the employment security of employees in the finance sector.
- To protect and improve the terms and conditions of employees, including pension arrangements.
- End the remuneration packages of senior executives which reward short-termism and irresponsible risk taking.
- Overhaul of the regulatory structures of the financial services sector to include trade union involvement in order to enhance the accountability of finance institutions.

Campaigning at the Lloyds TSB and HBOS EGMs

A large delegation of Unite activists predominantly made up of Lloyds TSB and HBOS staff were campaigning at both EGMs. Both inside and outside the meeting Unite dominated media attention delivering our message loud and clear. We challenged both boards on:

- Positive industrial relations
- Protection of terms and conditions including pensions
- Job Security
- Offshoring

Political Action – meeting those who matter

We have met with senior members of the UK government. These meetings have given Unite the opportunity to put issues to the Government who will have a 43½% stake and be the largest single shareholder in the new Lloyds Banking Group.

On November 28th Unite reps met with the Prime Minister Gordon Brown. At the meeting he stated his belief that 'off-shoring is less of an issue than it might have been'. In addition, he gave a commitment to the delegation that ministers will be available at any time to meet with Unite.

Unite followed this up with a meeting with Ian Pearson, Economic Secretary to the Treasury, The Minister stated to Unite, " The trend back (of jobs returning to the UK) has started. There are problems with reliability and public acceptance. The cost savings have been eroded. The banks are now in the spotlight and the climate is against any new off-shoring. I would be surprised if it happened." When asked by Cath Speight, National Officer, whether the government would intervene if any off-shoring was being planned, the Minister replied that government would want to take a view and raise this directly with the Company.

We have also met with MPs, MSPs and Welsh Assembly Members to ensure that your voice is heard at every level.



Right and below: Unite campaigns at EGMs



UNITE'S COMMITMENT TO MEMBERS GOING FORWARD

Unite recognises that members and staff wish to see their union take positive steps to protect and promote their interests. These principles guide our actions. Unite has a policy of engagement to maximise our influence in the key decisions and we will continue to manage our internal and external campaigns to achieve this.

Unite's commitment is to be

- open and honest - we have not and will not, take the apparently easy option of remaining on the sidelines spreading alarm amongst our members
- communicate accurately and frequently
- represent members at all levels
- work with other unions for the benefit of all members and staff

Because of Unite's unique position, we are in the best place to influence and shape the Lloyds Banking Group going forward. We will be assisted in this process by our sister union and partner Accord who, along with Unite, is recognised in HBOS.

Unite and Accord have worked as 'Two Unions One Voice' for over 7 years to the benefit of members in both unions.



Above: Unite campaigns at EGMs

I wish to be part of Unite. How do I join?

In the current financial climate, many people are looking carefully at their finances. To support our members we offer special rates of membership in Lloyds TSB. New members will also benefit from receiving their first 3 months of membership free.

Full time subscription rate £5.77 per month

Part time subscription rate £3.17 per month.

In full-time education - subscription rate £10 per year.

LTU members - switching to Unite could save you over £70 in your first year of membership.

You can join either online at our website www.unitetheunion.com or by calling our Lloyds TSB Helpline 0808 1449595.

How can I stay informed?

Please sign up and encourage your colleagues to get connected to the union by signing up to our email updates. Visit the membership area of our website www.unitetheunion.com/membership and "change my details" to enter your email address.

Please pass this email to your colleagues – it is important that all voices are heard in this takeover.

Your Union

We are your voice on the proposed takeover of HBOS, to the bank, government and in the public arena. You can keep yourself informed on the union's response and activities on this issue by going to our website page at www.unitetheunion.com/lloydstsb where we will post regular updates.

Not surprisingly many non members have decided to join Unite since the takeover was announced.

We give below some of the reasons why they have made this choice.

- Unite is the only union recognised in both LTSB and HBOS.
- Unite is the only union that will represent all members impacted in this takeover.
- Unite is the only union recognised in all business areas of LTSB.
- Unite has extensive experience in mergers and takeovers.
- Unite was heavily involved in the merger of Lloyds and TSB.
- Unite was heavily involved in the merger of Bank of Scotland and Halifax.
- Unite has a network of 150 MPs and broad political and media influence.
- Unite has met with the PM and ministers to put your case to government.

Please keep feeding your questions on the takeover in to us.

If members wish to discuss or comment on any of the above, please email ltsb@unitetheunion.com

**There are two unions but only one choice.
We are stronger Unite-d**